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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-78379; File No. SR-DTC-2016-003]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change Pursuant to Which DTC Would Impose Deposit Chills and Global Locks and Provide Fair Procedures to Issuers

July 21, 2016

On May 27, 2016, The Depository Trust Company (“DTC”) filed with the Securities and Exchange Commission (“Commission”) proposed rule change SR-DTC-2016-003 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ and Rule 19b-4 thereunder,² to establish (i) the circumstances under which DTC would impose and release a restriction on Deposits of an Eligible Security (a “Deposit Chill”) or on book-entry services for an Eligible Security (a “Global Lock”); and (ii) the fair procedures for notice and an opportunity for the issuer of the Eligible Security (the “Issuer”) to challenge the Deposit Chill or Global Lock (each, a “Restriction”). The proposed rule change was published for comment in the Federal Register on June 9, 2016.³ The Commission received three comment letters to the Proposed Rule Change.⁴

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 77991 (June 3, 2016), 81 FR 37232 (June 9, 2016) (SR-DTC-2016-003).

Section 19(b)(2) of the Act⁵ provides that, within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding, or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day after publication of the notice for this proposed rule change is July 24, 2016. The Commission is extending this 45-day time period.

The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the comments received on the proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁶ designates September 7, 2016 as the date by which the Commission shall either approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change (File No. SR-DTC-2016-003).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

⁴ See letters from Charles V. Rossi, Chairman, The Securities Transfer Association, Inc. Board Advisory Committee, dated June 30, 2016, to Brent J. Fields, Secretary, Commission; Dorian Deyet, dated June 30, 2016 (two submissions).

⁵ 15 U.S.C. 78s(b)(2).

⁶ Id.

⁷ 17 CFR 200.30-3(a)(31).

Robert W. Errett
Deputy Secretary

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